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APPLICATION NO.	FILING DATE	FIRST NAMED INVENTOR	ATTORNEY DOCKET NO.	CONFIRMATION NO.
09/624,732	07/25/2000	Gerard P. Sullivan	23334.01	6698

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EXAMINER

ZURITA, JAMES H

ART UNIT	PAPER NUMBER
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3625

DATE MAILED: 12/30/2004

Please find below and/or attached an Office communication concerning this application or proceeding.

Office Action Summary

Application No.

09/624,732

Applicant(s)

SULLIVAN, GERARD P.

Examiner

James H Zurita

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-- The MAILING DATE of this communication appears on the cover sheet with the correspondence address --

Period for Reply

A SHORTENED STATUTORY PERIOD FOR REPLY IS SET TO EXPIRE 3 MONTH(S) FROM THE MAILING DATE OF THIS COMMUNICATION.

- Extensions of time may be available under the provisions of 37 CFR 1.136(a). In no event, however, may a reply be timely filed after SIX (6) MONTHS from the mailing date of this communication.
- If the period for reply specified above is less than thirty (30) days, a reply within the statutory minimum of thirty (30) days will be considered timely.
- If NO period for reply is specified above, the maximum statutory period will apply and will expire SIX (6) MONTHS from the mailing date of this communication.
- Failure to reply within the set or extended period for reply will, by statute, cause the application to become ABANDONED (35 U.S.C. § 133). Any reply received by the Office later than three months after the mailing date of this communication, even if timely filed, may reduce any earned patent term adjustment. See 37 CFR 1.704(b).

Status

- 1) ☒ Responsive to communication(s) filed on 07 July 2004 and 12 October 2004.
- 2a) ☒ This action is **FINAL**. 2b) ☐ This action is non-final.
- 3) ☐ Since this application is in condition for allowance except for formal matters, prosecution as to the merits is closed in accordance with the practice under *Ex parte Quayle*, 1935 C.D. 11, 453 O.G. 213.

Disposition of Claims

- 4) ☒ Claim(s) 8, 10, 11, 13-35, 37-40 and 42-54 is/are pending in the application.
- 4a) Of the above claim(s) _____ is/are withdrawn from consideration.
- 5) ☐ Claim(s) _____ is/are allowed.
- 6) ☒ Claim(s) 8, 10, 11, 13-35, 37-40, 42-54 is/are rejected.
- 7) ☐ Claim(s) _____ is/are objected to.
- 8) ☐ Claim(s) _____ are subject to restriction and/or election requirement.

Application Papers

- 9) ☐ The specification is objected to by the Examiner.
- 10) ☐ The drawing(s) filed on _____ is/are: a) ☐ accepted or b) ☐ objected to by the Examiner.
Applicant may not request that any objection to the drawing(s) be held in abeyance. See 37 CFR 1.85(a).
Replacement drawing sheet(s) including the correction is required if the drawing(s) is objected to. See 37 CFR 1.121(d).
- 11) ☐ The oath or declaration is objected to by the Examiner. Note the attached Office Action or form PTO-152.

Priority under 35 U.S.C. § 119

- 12) ☐ Acknowledgment is made of a claim for foreign priority under 35 U.S.C. § 119(a)-(d) or (f).
- a) ☐ All b) ☐ Some * c) ☐ None of:
- ☐ Certified copies of the priority documents have been received.
 - ☐ Certified copies of the priority documents have been received in Application No. _____.
 - ☐ Copies of the certified copies of the priority documents have been received in this National Stage application from the International Bureau (PCT Rule 17.2(a)).

* See the attached detailed Office action for a list of the certified copies not received.

Attachment(s)

- | | |
|--|---|
| 1) <input type="checkbox"/> Notice of References Cited (PTO-892) | 4) <input type="checkbox"/> Interview Summary (PTO-413)
Paper No(s)/Mail Date. _____ |
| 2) <input type="checkbox"/> Notice of Draftsperson's Patent Drawing Review (PTO-948) | 5) <input type="checkbox"/> Notice of Informal Patent Application (PTO-152) |
| 3) <input type="checkbox"/> Information Disclosure Statement(s) (PTO-1449 or PTO/SB/08)
Paper No(s)/Mail Date _____ | 6) <input type="checkbox"/> Other: _____ |

DETAILED ACTION

Prosecution History

The Examiner presents the following to clarify the record:

On 17 September 2001, the Examiner rejected claims 1-29.

On 17 January 2002, applicant submitted a response, canceling claims 1, 9 and 12 and adding claims 30-47.

On 19 April 2002, the Examiner issued a final rejection.

On 8 October 2002, the Examiner issued a supplemental final rejection

On 14 April 2003, Applicant filed a notice of appeal.

On 30 June 2003, applicant presented a request for continuing examination, an amendment to the claims, a response to the final rejection, and a declaration under 37 CFR 1.132 from counsel to assignee.

On 16 December 2003, applicant submitted a supplemental amendment.

On 2 January 2004, the Examiner issued a non-final rejection, rejecting claims 8, 10-11, 13-35, 37-40, 42-47.

On 7 July 2004, Applicant submitted an amendment and response.

On 12 October 2004, applicant submitted a supplemental amendment-response and another declaration under 37 CFR 1.132.

Response to Amendment

The present Office action is a response to filings of 7 July and 12 October 2004.

Applicant amended claims 14, 21, 30-35, 38-40, 42, 44, 47 and added 48-54.

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Claims 8, 10, 11, 13-35, 37-40, 42-54 are pending and will be examined.

The text of those sections of Title 35, U.S. Code not included in this action can be found in a prior Office action.

Claim Objections

The following claims are objected to because of the following informalities:

For continuing objections to claims 15, 17, 24, 27, 30, 31, 40, 43, 44, 47 please refer to previous office action, pages 3-4. Additional errors include:

Claim 35, currently amended, retains underlining from amendment of 16 December 2003, when applicant amended steps (a) (c) (d) and added step (e).

Applicant's most recent amendment introduced new errors. For example:

Claim 43 should read "... (Currently amended) ..." to reflect that fact.

Claim 48, a ***new*** claim, reads "...currently amended..." and "...corresponding ***date*** element..."

Claim 50 needs a period.

Claim 52 appears to be missing a step and also contains at least the following errors, in bold:

52. (Currently Added) A method of allocating an investment among a population of securities, each security ***of t said*** population having ***a t least*** one corresponding ***date element, sai*** method comprising the steps of:"

- a) assigning each security of said population to a corresponding one industry group of a plurality of industry groups;
- b) summing said data elements of each security of said one industry group to provide an industry total of the data elements of said one industry group;
- c) allocating said industry total to one of the plurality of industry groups, said step of allocating ***comprises*** the step of ranking said securities of said one industry group in the order of the magnitude of their respective data ***elements***;

In Claim 53 the comparison should be between data elements for a security within an industry.

Applicant is encouraged to review guidelines provided in MPEP 608.01(m), 714 and 37 CFR 1.121 concerning amendments to the claims filed on or after 30 July 2003.

Appropriate correction is required.

Claim Rejections - 35 USC § 101

Claims 48-54 are rejected under 35 U.S.C. 101 because the claimed invention is directed to non-statutory subject matter. Please refer to previous office action for discussion of the importance of technology in claims.

Claim Rejections - 35 USC § 112 First Paragraph

See rejection of claim 40, previous office action.

Claim Rejections - 35 USC § 112 Second Paragraph

Claim 40 refers to several pluralities. Please refer to previous office action.

Claim 48, step e allocates an industry allocation amount into an industry group. Applicant's invention is directed to allocating an industry allocation amount into specific securities within industry groups.

Claims 49-51 refer to N. It is not clear what N is. Where N is a fixed amount of \$20,000, the invention would repeat step 20,000 (or 20,000 +1) times for an industry. N will be interpreted to mean as the number of times to perform a programming loop.

SEC Filing is a printed publicly accessible publication

The Examiner notes that applicant's SEC filing became publicly accessible when filed in the SEC and is a printed publication under 35 USC § 102. *American Stock Exchange LLC. v. Mopex, Inc.*, 240 F. Supp. 2d 323; 2003 U.S. Dist. LEXIS 1458.

Claim Rejections - 35 USC § 102

Claim 30 is rejected under 35 U.S.C. 102(b) as being clearly anticipated by SEC filing. Please refer to previous Office Action.

Claim Rejections - 35 USC § 103

Claims 10, 11, 16-29, 31-34 are rejected under 35 U.S.C. 103(a) as being unpatentable over SEC filing of 4 December 1998 in view of Fox (US Patent 5,132,899). Please refer to previous Office Action.

Claims 35 and 37 are rejected under 35 U.S.C. 103(a) as being unpatentable over SEC filing of 4 December 1998. Please refer to previous Office Action.

Claims 42 and 43 are rejected under 35 U.S.C. 103(a) as being unpatentable over SEC filing of 4 December 1998. Please refer to previous Office Action.

Claims 44-46, 13-15 are rejected under 35 U.S.C. 103(a) as being unpatentable over SEC filing of 4 December 1998 in view of Helping Employees. Please refer to previous Office Action.

Claims 38-39 are rejected under 35 U.S.C. 103(a) as being unpatentable over SEC filing of 4 December 1998 in view of SEC Filing of 4 March 1999.

As per claim 38, the SEC Filing discloses methods and steps for allocating an investment among a population of securities. For example, the SEC Filing discloses:

a) assigning each security of the population to a corresponding one industry group of a plurality of industry groups. See, for example, page 12, which states:

Value Line Investment Survey(R) classifies each company into an industry category on the basis of primary business activity.

b) summing the value [a data element] of each security of the one industry group to provide an industry total of the one industry group. The SEC Filing ranks the industries by aggregating (summing) common stockholders equity of all companies included within each industry [of the population of industries]:

The Strategy Model ranks the industries by aggregating common stockholders' equity of all companies included within each industry. [N-1AIA-12th page of 68]

c) allocating an industry allocation to one or more securities of the one industry group. The SEC Filing discloses, page 12, The Strategy Model then selects for investment one or more companies which have the highest common stockholders' equity within each industry. Please note that the allocation to at least one security is done, as in Claim 38c, if the industry total < a first limit or not.

As per claim 38, the SEC Filing **does not** specifically disclose (e) setting the first limit to a given magnitude, whereby the industry allocation to any one security of the one industry group may not exceed the given magnitude. This feature is specifically shown by SEC Filing of 4 March 1999, section entitled Investment Strategy, Portfolio Allocation, pages 12-14.

It would have been obvious to a person of ordinary skill in the art at the time the invention was made to perform the steps of assigning, summing, and allocating with a first limit set to a given value whereby the industry allocation to any one security of the one industry group may not exceed a given magnitude. One of ordinary skill in the art at the time the invention was made would have been motivated to perform the steps of assigning, summing, and allocating with a first limit set to a given value whereby the industry allocation to any one security of the one industry group may not exceed a given magnitude for the obvious reason that investments in mutual funds may be affected by market fluctuations.

As in Claim 38(d), the SEC Filing **does not** specifically disclose, allocating an industry allocation to at least two securities if the industry total > a first limit. The SEC Filing of 4 December 1998 does not specifically disclose, as in Claim 39, allocating the industry allocation to at least three securities if the industry total > second limit.

It is well known that various industries make up substantive portions of an economy. The Petroleum industry makes up a large portion of our economy than Cable TV, for example. Under circumstances found in the Petroleum industry, it may well be sensible to invest an industry allocation to a greater number of companies that make up the industry group, perhaps Exxon, Mobil and Shell, to create a solid base of investments in the group. Where the industry is Cable TV, it may well be sensible to place the industry allocation into fewer companies, since the overall impact of the industry group and its companies may not play as great a significance in the economy as the companies found in the Petroleum industry.

Therefore, it would have been obvious to one of ordinary skill in the art at the time the invention was made to expand the SEC Filing to disclose allocating an industry allocation to at least two securities if the industry total > a first limit (as in claim 39d) and allocating the industry allocation to at least three securities if the industry total > second limit (as in claim 39).

One of ordinary skill in the art at the time the invention was made would have been motivated to expand the SEC Filing to disclose allocating an industry allocation to at least two securities if the industry total > a first limit (as in claim 39d) and allocating the industry allocation to at least three securities if the industry total > second limit (as in claim 39) for the obvious reason that some industries play a greater role in our overall economy than others and it is important to manage risk by distributing funds accordingly.

As per claim 39, the SEC Filing ***does not*** specifically disclose "...said magnitude of said second limit being set to a magnitude equal to twice said given magnitude, whereby said industry allocation to any security of said one industry group may not exceed said given magnitude..." This feature is taught by SEC Filing of 4 March 1999, section entitled Investment Strategy, Portfolio Allocation, pages 12-14.

It would have been obvious to a person of ordinary skill in the art at the time the invention was made to perform the steps of assigning, summing, and allocating with a first limit set to a given value whereby the industry allocation to any one security of the one industry group may not exceed a given magnitude.

One of ordinary skill in the art at the time the invention was made would have been motivated to perform the steps of assigning, summing, and allocating with a first limit set to a given value whereby the industry allocation to any one security of the one industry group may not exceed a given magnitude for the obvious reason that investments in mutual funds may be affected by market fluctuations.

Claims 40 and 8 are rejected under 35 U.S.C. 103(a) as being unpatentable over SEC filing of 4 December 1998 in view of Applicant's prior art admissions.

As per claims 40 and 8, the SEC Filing discloses methods and steps for allocating an investment among a population of securities, each security having at least one corresponding data element. The SEC Filing discloses:

- a) assigning each security of said population to a corresponding one industry group of a plurality of industry groups. See, for example, page 12, which states:

Value Line Investment Survey(R) classifies each company into an industry category on the basis of primary business activity.

- b) summing said data element of each security of said population to provide an industry total of the data elements of each of said corresponding industry groups of a plurality and a universe total of the data elements of each security of the population.

The SEC Filing aggregates (summing) common stockholders equity of all companies included within each industry [of the population of industries]. See, for example, page 12, which states:

The Strategy Model ranks the industries by aggregating common stockholders' equity of all companies included within each industry.

- c) allocating an industry allocation to at least one industry group of said plurality [of

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industry groups]. See, for example, page 12, which translating a percentage industry allocation which is translated into an industry allocation amount:

The common stockholders' equity ranking of each industry determines the percentage of the Fund's portfolio investment to be made in each industry.

e) accessing a real time source of the current value of said data element of each security of said population and updating at selected times the values of said data elements of said securities of said population. See, for example, page 12, which states:

Companies that are listed in the Value Line Investment Survey® form the universe analyzed by...

See also references to stockholders; equity, at least page 6.

As per claim 40(d), the SEC Filing **does not** specifically disclose that the repeated step (d) of assigning on a periodic cycle the industry of the securities of each said plurality of industry groups at selected times. The SEC Filing **does not** specifically disclose step 40(f) updating on a periodic cycle the [data elements] of at least some of the securities of said population. Per applicant's admission, assigning and reassigning on a periodic cycle the industry of securities of each plurality of industry groups at selected times, (monthly and weekly, for example), and updating on a periodic cycle (monthly and weekly, for example) is old and well known and is done regularly by Value Line and Standard and Poors and Bloomberg. It would have been obvious to one of ordinary skill in the art at the time the invention was made to combine the SEC Filing with admitted prior art to disclose steps (d) and (f), as above.

One of ordinary skill in the art at the time the invention was made would have been motivated to combine the SEC Filing with admitted prior art to disclose steps (d) and (f), as above, for the obvious reason that market and economic conditions may

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fluctuate according to cycles. For example, important risk considerations may include "bear markets," or "bull markets" or a decrease in value of a particular population of securities, or that companies may be experiencing financial difficulties.

Claim 47 is rejected under 35 U.S.C. 103(a) as being unpatentable over SEC filing of 4 December 1998 in view of SEC Filing of 4 March 1999.

As per claim 47, the SEC Filing discloses methods and steps of

(a) allocating an investment among a population of securities, each security having at least one corresponding data element. For example, the SEC Filing discloses (a) assigning each security of said population to a corresponding one industry group of a plurality of industry groups. See, for example, page 12, which states:

Value Line Investment Survey(R) classifies each company into an industry category on the basis of primary business activity.

(b) summing said data element of each security of said population to provide an industry total of the data elements of each of said corresponding industry groups of said plurality and a universe total of the data elements of each security of said population. The SEC Filing ranks the industries by aggregating (summing) common stockholders equity of all companies included within each industry [of the population of industries]:

The Strategy Model ranks the industries by aggregating common stockholders' equity of all companies included within each industry. [N-1 AIA -12th page of 68]

The SEC filing **does not** specifically refer to summing a data element of each security to provide a universe total. The universe total may be derived from the sum of the industry totals, since a whole (the universe total) is equal to the sum of its parts (each industry total).

(c) dividing selectively an industry allocation into at least first and second parts. The SEC Filing discloses dividing an industry allocation into one or more companies with the highest equity within an industry. See, for example, page 12:

The Strategy Model then selects for investment one or more companies which have the highest common stockholders' equity within each industry.

By selecting to invest in more than one company, the SEC Filing divides an industry allocation into at least a first and second parts.

(d) allocating said first and second parts selectively among two of said corresponding securities of said one industry group having the largest data elements. By selecting to invest in two companies, as in 47(d), above, (i.e., those one or more companies that have the highest equity within an industry group), the SEC Filing discloses that each of the first and second parts may be selectively allocated among the two corresponding securities of an industry group having the largest equity, for example.

The SEC Filing of 12 December 1998 **does not** specifically disclose comparing said first part to a set amount and, if less than or equal to said set amount, said first part is set equal to said set amount. This feature is specifically shown by SEC Filing of 4 March 1999, section entitled Investment Strategy, Portfolio Allocation, pages 12-14.

It would have been obvious to a person of ordinary skill in the art at the time the invention was made to perform the steps of assigning, summing, and allocating with a first limit set to a given value whereby the industry allocation to any one security of the one industry group may not exceed a given magnitude. One of ordinary skill in the art at the time the invention was made would have been motivated to perform the steps of assigning, summing, and allocating with a first limit set to a given value whereby the

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industry allocation to any one security of the one industry group may not exceed a given magnitude for the obvious reason that investments in mutual funds may be affected by market fluctuations.

Claims 48-54 are rejected under 35 U.S.C. 103(a) as being unpatentable over SEC Filing of 4 December 1998 in view of SEC Filing of 4 March 1999.

Claims 48 and 52 are rejected on the same grounds as claim 47, above.

Claims 49-51 refer to reiterative steps for processing and allocating a sum among securities that are sorted and ranked according to particular data elements. For sorting and ranking according to particular data elements, please refer to SEC Filing of 4 March 1999, section entitled Investment Strategy, Portfolio Allocation, pages 12-14.

As per claims 53-54, the Examiner takes official notice that it is old and well known to repeat functions as many times as required to process a data set. It would have been obvious to one of ordinary skill in the art at the time the invention was made to include looping mechanisms set to perform any number of times. One of ordinary skill in the art at the time the invention was made would have been motivated to include looping mechanisms set to perform any number of times for the obvious reason that looping is a common technique for applying algorithms to data such as VALUE LINE input data. For claims 53 and 54, please also refer to by SEC Filing of 4 March 1999, section entitled Investment Strategy, Portfolio Allocation, pages 12-14 for particular applications of the process.

Response to Arguments

Applicant's arguments of 7 July 2003 and 12 October 2004 have been carefully and fully considered but they are no more persuasive than previous arguments.

Constructing a record showing Unpatentability

Applicant concludes his amendment of 7 July 2004 with remarks concerning the prosecution record of this application. The Examiner respectfully submits that he has constructed a record showing unpatentability.

Claremont Counsel Declaration Concerning Searches

The Examiner has carefully and fully considered the 12 October 2004 37 CFR 1.132 declaration from counsel to assignee.

Counsel's declaration documenting his continued inability to find documents he filed with the SEC are no more persuasive than previous arguments.

Conclusion

Applicant's amendment necessitated the new ground(s) of rejection presented in this Office action. Accordingly, **THIS ACTION IS MADE FINAL**. See MPEP § 706.07(a). Applicant is reminded of the extension of time policy as set forth in 37 CFR 1.136(a).

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Any inquiry concerning this communication or earlier communications from the examiner should be directed to James H Zurita whose telephone number is 703-605-4966. The examiner can normally be reached on 8a-5pm.

If attempts to reach the examiner by telephone are unsuccessful, the examiner's supervisor, Wynn Coggins can be reached on 703-308-1344. The fax phone number for the organization where this application or proceeding is assigned is 703-872-9306.

Information regarding the status of an application may be obtained from the Patent Application Information Retrieval (PAIR) system. Status information for published applications may be obtained from either Private PAIR or Public PAIR. Status information for unpublished applications is available through Private PAIR only. For more information about the PAIR system, see <http://pair-direct.uspto.gov>. Should you have questions on access to the Private PAIR system, contact the Electronic Business Center (EBC) at 866-217-9197 (toll-free).

JL
James Zurita
Patent Examiner
Art Unit 3625
25 December 2004

Michael Cuff 12/27/04
MICHAEL CUFF
PRIMARY EXAMINER